

A U S T I N C I T Y C O U N C I L

# A G E N D A



Thursday, May 18, 2006

[← Back](#)

*Item # 20*

## Purchasing Service Agreement RECOMMENDATION FOR COUNCIL ACTION

**Subject:** Authorize award and execution of a 12-month service agreement with MAIL PROCESSING CENTER, Cedar Park, TX, for printing and mail processing services of delinquent notices for Municipal Court in an estimated amount not to exceed \$59,200, with four 12-month extension options in an estimated amount not to exceed \$59,200 per extension option, for a total estimated agreement amount not to exceed \$296,000.

**Amount and Source of Funding:** Funding in the amount of \$19,733 is included in the Fiscal Year 2005-2006 Approved Operating Budget of the Municipal Court. Funding for the remaining eight months of the original contract period and the extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**Additional Backup Material**  
(click to open)  
[MAIL PROCESSING BID TAB](#)

**For More Information:** Sydney Ceder, Buyer II/974-2035

**Purchasing Language:** Lowest bid of six bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified, therefore, no goals were established for this solicitation.

This contract is for the printing, processing, and mailing large quantities of notices sent from the Municipal Court to defendants. Under this contract, an estimated 400,000, 2-sided, bilingual (Spanish/English) delinquent warning notices will be printed, processed, and mailed each year by the contractor. Having the notices printed in Spanish has proven to be beneficial in accommodating the portion of the Austin population that does not read English as their primary language. This step has resulted in an increase in the number of fines being paid.

The contractor will also be responsible for 150,000, bilingual, trial docket appearance notices to be processed and mailed annually. Municipal Court will continue the printing of these notices and the contractor will pick the notices up from the Municipal Court at least three times per week. The contractor will be responsible for processing all of the mail at a rate of \$.308 per piece.

In addition to these two items, the contractor will also be required to print, process and mail up to 100,000 two-sided, bilingual postcards for special notice mailings. These notices will be provided to the contractor on an as needed basis. These special notice postcards will also be processed at a rate of \$.308 per piece.

On January 11, 1990, Council approved resolution known as the Comprehensive Recycling

Resolution which set goals for the purchase of recycled paper for City of Austin use. The Resolution allows for an award of recycled paper if the price is within 10% of the lowest price for virgin paper. Mail Processing Center will be using recycled paper for this contract.

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Thirty-nine notices were sent including three MBEs and eleven WBEs. Thirteen solicitations were issued including no MBEs/WBEs. Six bids were received.
- c. The bid pricing offered represents a 20% decrease from the last contract award in May 2003.

**APPROVAL JUSTIFICATION**

- a. Lowest bidder.
- b. The Purchasing Office concurs with Municipal Court's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.

**BID TABULATION**  
**Printing & Processing Collection Notices and Envelopes**  
**IFB# SC0300028**

<b><u>Vendor</u></b>	<b><u>Total Price of 10 line items</u></b>
<b>Mail Processing Center Cedar Park, Texas</b>	<b>\$ 55,700.00 (Virgin) \$ 59,200.00 (Recycled)</b>
<b>SmartMail Austin, Texas</b>	<b>\$ 66,140.00 (Virgin) \$ 68,120.00 (Recycled)</b>
<b>Mailbox Direct Austin, Texas</b>	<b>\$ 68,680.50 (Virgin) \$ 69,880.50 (Recycled)</b>
<b>National Presort Austin, Texas</b>	<b>\$ 73,500.00 (Virgin) \$ 73,500.00 (Recycled)</b>
<b>Matrix Printing Sanborn, New York</b>	<b>\$ 76,430.00 (Virgin) \$ 78,080.00 (Recycled)</b>
<b>Ginny's Printing Austin, Texas</b>	<b>\$204,665.95 (Virgin) \$255,684.45 (Recycled)</b>

**Bid tabulation is on file the Purchasing Office.**